REMARKS

By the present amendment, Claims 1, 2, 12, 13, and 18 have been amended. Claims 1-20 remain pending in the present application. Claims 1, 12, and 18 are independent claims.

Applicants appreciate the courtesies extended to co-inventor Stanley M. Siegel and Applicants' representative during the telephonic interview held August 26, 2004. The present response summarizes the substance of the interview. At the interview Applicants' representative discussed a proposed amendment. Proposed amended independent Claim 1 recited a client-side system for e-commerce, which integrated point-of-sale and Internet operations. The system included a merchant's computer having a processor, a memory coupled to the processor, and a computer readable medium coupled to the memory having computer readable program code means embodied therein. The system had computer readable program code means for generating an e-commerce website on the merchant's computer and uploading said website to a Web server, and not using any server side software, installation, or setup; computer readable program code means for maintaining a client-side database of the inventory of items offered for sale on the website and at a point-of-sale; computer readable code means for updating said inventory database to reflect sales made on the website and at the point-of sale; and computer readable code means for reflecting changes on the website resulting from changes in the inventory of the items available for sale.

Mr. Siegel and Applicants' representative presented arguments traversing the rejection of Claim 1 under 35 U.S.C. § 103(a) as allegedly being unpatentable over Blinn et al. (U.S. Patent

No. 5,897,622) in view of Junkin (U.S. Patent No. US 6,493,717 B1). A formal agreement as to the patentability of the claims was withheld by the Examiner pending a thorough review of arguments and proposed amendment presented at the interview, a thorough review of this amendment, and a further update search.

Claims 1-20 are rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Blinn et al. in view of Junkin. Applicants respectfully traverse this rejection.

Applicants have revised Claims 1, 2, 12, 13, and 18 to more particularly define Applicants' claimed invention in view of the prior art of record. Applicants respectfully submit that the amendments to the claims are fully supported by the original disclosure, and introduce no new matter therewith.

Amended independent Claim 1 recites a client-side system for e-commerce, which integrates point-of-sale and Internet operations. The client-side system includes a merchant computer for a merchant, the merchant computer having a processor, a memory coupled to the processor, and a computer readable medium coupled to the memory having computer readable program code means embodied therein. The computer readable program code includes computer readable program code means for constructing a merchant database having an inventory of items offered for sale, computer readable program code means for generating an e-commerce website on the merchant computer without using any server side software, installation, or setup for processing of any computer instructions, computer readable program code means for uploading on-line said website to a Web server without using any server side software, installation, or setup for processing of any computer instructions, computer readable program code means for

maintaining the merchant database of the inventory of items offered for sale on the website and at a point-of-sale without using any server side software, installation, or setup for processing of any computer instructions, computer readable code means for updating said inventory database to reflect sales made on the website and at the point-of sale without using any server side software, installation, or setup for processing of any computer instructions; and computer readable code means for reflecting changes on the website resulting from changes in the inventory of the items available for sale without using any server side software, installation, or setup for processing of any computer instructions.

Blinn et al. describes an electronic shopping and merchandising system which requires the client (merchant) to place a database module (per-configured to the client's (merchant's) database, a dynamic page generator and other web server side programs on a web enabled server (see Figs. 1, 2, and 14 of Blinn et al.). Blinn et al. also requires that the client's (merchant's) computer be a web enabled server. Claim 1 has NO requirement for the client (merchant) to place a database module, a dynamic page generator or other web server side programs on a web enabled server or even have a web enabled server at the client (merchant) location. Blinn et al. does not teach an electronic shopping and merchandising system generated on a non-web enabled server/computer.

Blinn et al. describes in column 6, line 26-28, and in Fig. 2 how the system of Blinn et al. incorporates a database module, dynamic page generator, and other web server side programs to process customers requests and orders which must be a web enabled server. In the claimed invention, all HTML page generation can be done on the client's (merchant's) desktop computer

disconnected from the Internet, and the client's (merchant's) desktop computer need not be a web-server. Furthermore, in the claimed invention, no database module, dynamic page generator, or other web server side programs are needed to execute the claimed software. The claimed invention has a database on the client's (merchant's) desktop computer, which makes for a safer location then a web enabled server.

Blinn et al. teaches a dynamic page generator that uses HTML structure (web server side) when each customer views a product/item using his/her computer browser. In the claimed invention, the product/item HTML page (static page) is generated at the client's (merchant's) desktop computer which is then uploaded to a web server when first added or when product/item changes are made, without the need for a dynamic page generator to run on the web server each time a customer views a product/item. As a result, the viewing time of these HTML pages is much faster than Blinn et al.

Blinn et al.'s connection from the local database to the server database module and the dynamic real-time web page generator takes time and requires that client's (merchant's) computer be a fast web enabled server and that server be up and running. In the claimed invention, the client's (merchant's) computer need not be a web enabled server, and all HTML pages can be viewed very fast by the customer's browser without the client's (merchant's) computer being connected to the internet. Customer's orders are received later when the customer reconnects to the Internet.

Junkin teaches the data management of database information using a web browser and a DataCrawler for a web database application (see column 2; lines 37-67). This requires that a

database be on a web-enabled server with the needed DataCrawler and other data handling programs. In the claimed invention, the entire client's (merchant's) data management is done locally to upload the formatted HTML, and then later receives the ordering information. These techniques are outlined and described in the specification.

The claimed invention does not create dynamic real-time web pages at a web server, but creates static web pages on the merchant's desktop computer which can then be placed on any web server, so that a customer's web browser can view the page and have the embedded JavaScript process the resulting customer order on the customer's web browser.

The end user of the claimed invention may be a small business owner who can only afford to spend a few hundred dollars a year in automating his business (Point of Sale & E-Commerce). Blinn et al. alone or in combination with Junkin offers no solution for these small business owners because of high startup and monthly costs required to maintain their own web servers.

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide a client-side system for e-commerce, which integrates point-of-sale and Internet operations, that includes merchant computer for a merchant, the merchant computer having a processor, a memory coupled to the processor, and a computer readable medium coupled to the memory having computer readable program code means embodied therein; computer readable program code means for constructing a merchant database having an inventory of items offered for sale; computer readable program code means for generating an e-commerce website on the merchant

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Amended dependent claim 2 recites that the means for generating a website includes static ASCII text files created in HTML format on the merchant computer, and is then uploaded from the merchant computer to a Web server via the Internet standard File Transfer Protocol (FTP). The static ASCII text HTML files are transferred from the Web server via the Hypertext Transfer Protocol (HTTP) to a Internet customer's computer having a Web browser. The merchant's e-commerce website is dynamically generated by the Web browser from the merchant's uploaded ASCII text HTML files.

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide the features Claim 2 requires.

Applicants respectfully submit that Claim 2 is allowable for at least the same reasons given above with respect to Claim 1 and for the additional features recited therein, and request reconsideration and withdrawal of the rejection of Claim 2 under 35 U.S.C. § 103(a) as being unpatentable over Blinn et al. in view of Junkin.

Additional features of the invention recited in Claim 1 are found in dependent Claim 3.

Dependent Claim 3 recites that the system further includes the Internet customer's Web browser. The system is configured such that the means for updating the inventory is initiated by a customer transaction relating to an item or items available for sale on the merchant's e-commerce website, thus resulting in a non-secure e-commerce Order. The Internet customer's Web browser transfers information about the non-secure e-commerce order to a third party's Web server via HTTP (Hypertext Transfer Protocol), which then transfers the transaction via the

Internet to an electronic mail server identified by the merchant using SMTP (Simple Mail Transfer Protocol).

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide the features Claim 3 requires.

Applicants respectfully submit that Claim 3 is allowable for at least the same reasons given above with respect to Claim 1 and for the additional features recited therein, and request reconsideration and withdrawal of the rejection of Claim 3 under 35 U.S.C. § 103(a) as being unpatentable over Blinn et al. in view of Junkin.

Additional features of the invention recited in Claim 1 are found in dependent Claim 4.

Dependent Claim 4 recites that the system is configured such that the means to reflect changes on the website involves uploading updated pages for the website generated by the updated inventory database.

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide the features Claim 4 requires.

Applicants respectfully submit that Claim 4 is allowable for at least the same reasons given above with respect to Claim 1 and for the additional features recited therein, and request reconsideration and withdrawal of the rejection of Claim 4 under 35 U.S.C. § 103(a) as being unpatentable over Blinn et al. in view of Junkin.

Additional features of the invention recited in Claim 1 are found in dependent Claim 5.

Dependent Claim 5 recites that the system is configured such that the Internet customer's Web browser transfers information about the e-commerce order as a Non-Secure Order to a third party's web server via HTTP, which then transfers the non-secure order via the Internet to an electronic mail server using SMTP.

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide the features Claim 5 requires.

Applicants respectfully submit that Claim 5 is allowable for at least the same reasons given above with respect to Claim 1 and for the additional features recited therein, and request reconsideration and withdrawal of the rejection of Claim 5 under 35 U.S.C. § 103(a) as being unpatentable over Blinn et al. in view of Junkin.

Additional features of the invention recited in Claim 1 are found in dependent Claim 6.

Dependent Claim 6 recites that the system is configured such that the Internet customer's Web browser transfers information about the e-commerce order as a Secure Order via the Internet using the Secure Hypertext Transfer Protocol (HTTPS) to transfer the information to a Third Party Secure Transaction Payment Provider, who then transmits the secure order to the merchant's electronic mail server using SMTP.

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide the features Claim 6 requires.

Applicants respectfully submit that Claim 6 is allowable for at least the same reasons given above with respect to Claim 1 and for the additional features recited therein, and request reconsideration and withdrawal of the rejection of Claim 6 under 35 U.S.C. § 103(a) as being unpatentable over Blinn et al. in view of Junkin.

Additional features of the invention recited in Claim 1 are found in dependent Claim 7.

Dependent 7 recites that the system further includes means for tracking company expenses, vendors, customers or employees; means for generating various reports including, but not limited to, inventory detail, sales, returns, profit; means for reordering items when quantities reach predetermined levels; means for automatically calculating taxes and shipping charges; and means for processing e-commerce and point-of-sale transactions, including cash sales, returns, invoices, credit memos, and payments.

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide the features Claim 7 requires.

Applicants respectfully submit that Claim 7 is allowable for at least the same reasons given above with respect to Claim 1 and for the additional features recited therein, and request reconsideration and withdrawal of the rejection of Claim 7 under 35 U.S.C. § 103(a) as being unpatentable over Blinn et al. in view of Junkin.

Additional features of the invention recited in Claim 1 are found in dependent Claim 8.

Dependent Claim 8 recites that the system is configured such that the merchant uses the system with multiple e-commerce websites or multiple points-of-sale that offer for sale items from a common inventory.

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide the features Claim 8 requires.

Applicants respectfully submit that Claim 8 is allowable for at least the same reasons given above with respect to Claim 1 and for the additional features recited therein, and request reconsideration and withdrawal of the rejection of Claim 8 under 35 U.S.C. § 103(a) as being unpatentable over Blinn et al. in view of Junkin.

Additional features of the invention recited in Claim 1 are found in dependent Claim 9.

Dependent Claim 9 recites that the system is configured such that the merchant uses the system in connection with an Intranet.

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide the features Claim 9 requires.

Applicants respectfully submit that Claim 9 is allowable for at least the same reasons given above with respect to Claim 1 and for the additional features recited therein, and request reconsideration and withdrawal of the rejection of Claim 9 under 35 U.S.C. § 103(a) as being unpatentable over Blinn et al. in view of Junkin.

Additional features of the invention recited in Claim 1 are found in dependent Claim 10.

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Dependent Claim 10 recites that the system further includes search engine means for enabling a customer to search the merchant's website.

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide the features Claim 10 requires.

Applicants respectfully submit that Claim 10 is allowable for at least the same reasons given above with respect to Claim 1 and for the additional features recited therein, and request reconsideration and withdrawal of the rejection of Claim 10 under 35 U.S.C. § 103(a) as being unpatentable over Blinn et al. in view of Junkin.

Additional features of the invention recited in Claim 1 are found in dependent Claim 11.

Dependent Claim 11 recites that the system is configured such that the search engine means provides for the indexing and searching of merchant web sites.

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide the features Claim 11 requires.

Applicants respectfully submit that Claim 11 is allowable for at least the same reasons given above with respect to Claim 1 and for the additional features recited therein, and requests reconsideration and withdrawal of the rejection of Claim 11 under 35 U.S.C. § 103(a) as being unpatentable over Blinn et al. in view of Junkin.

Amended independent Claim 12 recites a system to integrate point-of-sale and e-commerce website operations on a merchant computer, having means to execute computer

readable program codes and to communicate with a Web server. The system includes a computer readable program code to construct and maintain an inventory database; a computer readable program code to generate an e-commerce website without any server side software, installation, or setup for processing of any computer instructions; a computer readable program code for updating inventory information in said database and on the website without any server side software, installation, or setup for processing of any computer instructions; a computer readable program code for processing point-of-sale transactions without any server side software, installation, or setup for processing of any computer instructions; a computer readable program code for processing e-commerce transactions without any server side software, installation, or setup for processing of any computer instructions, resulting in the data being in the same computer readable format as the point-of-sale transactions, and a computer readable program code for transferring data about transactions and inventory information between said merchant computer and the Web server to synchronize the inventory database and to update the website to reflect changes resulting from the processed transactions without any server side software, installation, or setup for processing of any computer instructions.

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide a system to integrate point-of-sale and e-commerce website operations on a merchant computer, having means to execute computer readable program codes and to communicate with a Web server, the system including a computer readable program code to construct and maintain an inventory database; a computer readable program code to generate an e-commerce website <u>without any</u>

server side software, installation, or setup for processing of any computer instructions; a

computer readable program code for updating inventory information in said database and on the

website without any server side software, installation, or setup for processing of any computer

instructions; a computer readable program code for processing point-of-sale transactions without

any server side software, installation, or setup for processing of any computer instructions; a

computer readable program code for processing e-commerce transactions without any server side

software, installation, or setup for processing of any computer instructions, resulting in the data

being in the same computer readable format as the point-of-sale transactions, and a computer

readable program code for transferring data about transactions and inventory information

between the merchant computer and the Web server to synchronize the inventory database and to

update the website to reflect changes resulting from the processed transactions without any

server side software, installation, or setup for processing of any computer instructions, as

Claim 12 requires.

Applicants respectfully submit that claim 12 is allowable for reasons given above, and

request reconsideration and withdrawal of the rejection of Claim 12 under 35 U.S.C. § 103(a) as

being unpatentable over Blinn et al. in view of Junkin.

Additional features of the invention recited in Claim 12 are found in dependent Claim 13.

Amended dependent Claim 13 recites that the transferred transactional data and inventory

information are text files created statically on the merchant computer.

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide the features Claim 13 requires.

Applicants respectfully submit that Claim 13 is allowable for at least the same reasons given above with respect to Claim 1 and for the additional features recited therein, and requests reconsideration and withdrawal of the rejection of Claim 13 under 35 U.S.C. § 103(a) as being unpatentable over Blinn et al. in view of Junkin.

Additional features of the invention recited in Claim 12 are found in dependent Claim 14.

Dependent Claim 14 recites that the system is configured such that the integration further comprises transfer of data about transactions and inventory information between the merchant's Web server for electronic mail to the merchant computer via the public Internet.

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide the features Claim 14 requires.

Applicants respectfully submit that Claim 14 is allowable for at least the same reasons given above with respect to Claim 12 and for the additional features recited therein, and requests reconsideration and withdrawal of the rejection of Claim 14 under 35 U.S.C. § 103(a) as being unpatentable over Blinn et al. in view of Junkin.

Additional features of the invention recited in Claim 12 are found in dependent Claim 15.

Dependent Claim 15 recites that the integration recited in Claim 14 further includes data about transactions and inventory information being transferred from a general Internet user's

computer to the merchant's secure transaction provider's computer via the public Internet, and then transferring said data and information between the merchant's secure transaction provider's computer to the merchant's electronic mail server via the public Internet.

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide the features Claim 15 requires.

Applicants respectfully submit that Claim 15 is allowable for at least the same reasons given above with respect to Claim 1 and for the additional features recited therein, and requests reconsideration and withdrawal of the rejection of Claim 15 under 35 U.S.C. § 103(a) as being unpatentable over Blinn et al. in view of Junkin.

Additional features of the invention recited in Claim 12 are found in dependent Claim 16.

Dependent Claim 16 recites that the system further includes a computer readable program code for tracking company expenses, vendors, customers and employees; a computer readable program code for generating various reports including, but not limited to, inventory detail, sales, returns, profit; a computer readable program code for reordering items when quantities reach predetermined levels; a computer readable program code for automatically calculating taxes and shipping charges; and wherein the computer readable program code for processing e-commerce and point-of-sale transactions, includes code to process cash sales, returns, invoices, credit memos, and other payments.

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide the features Claim 16 requires.

Applicants respectfully submit that Claim 16 is allowable for at least the same reasons given above with respect to Claim 1 and for the additional features recited therein, and requests reconsideration and withdrawal of the rejection of Claim 16 under 35 U.S.C. § 103(a) as being unpatentable over Blinn et al. in view of Junkin.

Additional features of the invention recited in Claim 12 are found in dependent Claim 17.

Dependent Claim 17 recites that the system further includes a computer readable code for enabling a customer to search merchant web sites.

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide the features Claim 17 requires.

Applicants respectfully submit that Claim 17 is allowable for at least the same reasons given above with respect to Claim 12 and for the additional features recited therein, and requests reconsideration and withdrawal of the rejection of Claim 17 under 35 U.S.C. § 103(a) as being unpatentable over Blinn et al. in view of Junkin.

Amended independent Claim 18 recites a client-side program embodied on a computer readable medium executable by a merchant computer for a merchant. The program performs method steps for enabling an inventory management system to integrate point-of-sale and e-commerce operations on a website of the merchant. The steps include creating the website for

the merchant on the merchant computer with website generation software without any server side software, installation, or setup for processing of any computer instructions; transferring information between the merchant computer and a Web server linked to the merchant's website without any server side software, installation, or setup for processing of any computer instructions; querying said website for inventory information without any server side software, installation, or setup for processing of any computer instructions; retrieving inventory information corresponding to said query without any server side software, installation, or setup for processing of any computer instructions; and integrating said inventory information from the website with inventory information maintained about the merchant's point-of-sale operations without any server side software, installation, or setup for processing of any computer instructions.

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide a client-side program embodied on a computer readable medium executable by a merchant computer for a merchant, the program performing method steps for enabling an inventory management system to integrate point-of-sale and e-commerce operations on a website of the merchant, the steps including creating the website for the merchant on the merchant computer with website generation software <u>without any server side software, installation, or setup for processing of any computer instructions</u>; transferring information between the <u>merchant</u> computer and a Web server linked to the merchant's website <u>without any server side software, installation, or setup for processing of any computer instructions</u>; querying said website for inventory information

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without any server side software, installation, or setup for processing of any computer instructions; retrieving inventory information corresponding to said query without any server side software, installation, or setup for processing of any computer instructions; and integrating said inventory information from the website with inventory information maintained about the merchant's point-of-sale operations without any server side software, installation, or setup for processing of any computer instructions, as Claim 18 requires.

Applicants respectfully request reconsideration and withdrawal of the rejection of Claim 18 under 35 U.S.C. § 103(a) as being unpatentable over Blinn et al. in view of Junkin.

Additional features of the invention recited in Claim 18 are found in dependent Claim 19.

Dependent Claim 19 recites that the program further processes point-of-sale transactions; processes e-commerce transactions, with the data in the same computer readable format as the point-of-sale transactions; and synchronizes the inventory information on the website with the point-of-sale operations.

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide the features Claim 19 requires.

Applicants respectfully submit that Claim 19 is allowable for at least the same reasons given above with respect to Claim 18 and for the additional features recited therein, and requests reconsideration and withdrawal of the rejection of Claim 19 under 35 U.S.C. § 103(a) as being unpatentable over Blinn et al. in view of Junkin.

Additional features of the invention recited in Claim 18 are found in dependent Claim 20.

Dependent Claim 20 recites that the program further tracks company expenses; and generates various reports including, but not limited to, inventory detail, sales, returns, profit; and reordering items when quantities reach predetermined levels.

Applicants respectfully submit that Blinn et al., Junkin, or any combination thereof provides no motivation whatsoever to modify the teachings thereof to provide the features Claim 20 requires.

Applicants respectfully submit that Claim 20 is allowable for at least the same reasons given above with respect to Claim 1 and for the additional features recited therein, and requests reconsideration and withdrawal of the rejection of Claim 20 under 35 U.S.C. § 103(a) as being unpatentable over Blinn et al. in view of Junkin.

For the foregoing reasons, Applicants respectfully submit that the present application is in condition for allowance. If such is not the case, the Examiner is requested to kindly contact the undersigned in an effort to satisfactorily conclude the prosecution of this application.

Respectfully submitted,

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